

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

HOLZ LTD.)	
)	
Plaintiff(s),)	No. C05-0244 BZ
)	
v.)	ORDER GRANTING IN PART AND
)	DENYING IN PART
ROBERT JAMES KASHA, et)	PLAINTIFF'S MOTION FOR
al.,)	SUMMARY JUDGMENT
)	
Defendant(s).)	

Plaintiff Holz Ltd. filed this action alleging infringement of U.S. Patent No. 4,742,753 by defendants Robert James Kasha dba Big Bang Distribution ("Big Bang") and Jeff Moeller, an employee of Big Bang. Plaintiff then moved for summary judgment on the claim of induced infringement of Claim 9 of the '753 patent.¹ The '753 patent covers the apparatus and method for modifying the sound of a musical drum by forming a hole in the drumhead

¹ Plaintiff's motion for summary judgment is more properly a motion for summary adjudication pursuant to Rule 56(d). See also C. Wright, A. Miller & M. Kane, Federal Practice and Procedure § 2737, p. 464-65 (2d ed. 1983).

1 diaphragm and affixing a rigid frame about the periphery of
2 the hole. In this motion, plaintiff contends defendants
3 induced infringement of its patent by selling and
4 instructing how to use "Bass Drum O's," rigid rings that
5 allegedly incorporate the inventions claimed in the '753
6 patent.

7 "Whoever actively induces infringement of a patent
8 shall be liable as an infringer." 35 U.S.C. § 271(b). For
9 plaintiff to prevail on its motion, it must establish
10 direct infringement of patent '753 and defendants' intent
11 to induce infringement. Water Technologies Corp. v. Calco,
12 Ltd., 850 F.2d 660, 668 (Fed. Cir. 1988); Manville Sales
13 Corp. v. Paramount System, Inc., 917 F.2d 544, 553 (Fed.
14 Cir. 1990) ("The plaintiff has the burden of showing that
15 the alleged infringer's actions induced infringing acts and
16 that he knew or should have known his actions would induce
17 actual infringements.") As plaintiff states, it must
18 establish that defendants possessed the "specific intent to
19 encourage the direct infringement and not merely that they
20 had knowledge of the acts alleged to constitute
21 infringement" and that defendants had "actual or
22 constructive knowledge of the patent" (Memo of Points and
23 Authorities in Support of Motion 12:12-19).

24 In their opposition, defendants do not contest
25 plaintiff's assertion that installing Bass Drum O's on bass
26 drums with tensioning rings constitutes direct
27 infringement. Nor is there any dispute that defendants had
28 actual or constructive knowledge of the patent since they

1 received notice of the '753 patent and their alleged
2 infringement when plaintiff filed and served this action in
3 January 2005 (Joint Statement of Undisputed Facts (JSUF)
4 ¶3). This motion turns on defendants' intent.

5 At the hearing on November 9, 2005, and in their
6 supplemental briefs, the parties discussed whether the
7 intent plaintiff must show is that defendants intended to
8 cause infringement or whether it is enough that defendants
9 intended to cause the acts that constitute infringement.
10 There is a lack of guidance on which standard courts should
11 apply. See Insituform Technologies, Inc. v. Cat
12 Contracting, Inc., 385 F.3d 1360, 1378 (Fed. Cir. 2004). I
13 need not resolve this dispute since, even applying the
14 Manville standard as defendants urge, based on this record
15 I find that no reasonable jury could conclude that
16 defendants did not know, or should not have known, when
17 they sold Bass Drum O's after January 18, 2005 with
18 instructions on installing them on bass drums, that they
19 were inducing infringement of the '753 patent. See MEMC
20 Electronic Materials, Inc. v. Mitsubishi Materials Silicon
21 Corp., 420 F.3d 1369, 1378 (Fed. Cir. 2005) ("We need not
22 resolve the ambiguity [lack of clarity concerning the
23 required intent] . . . because it is undisputed that SUMCO
24 had knowledge of the '302 patent. Thus, assuming that MEMC
25 is able to demonstrate that SUMCO had intent to induce the
26 specific acts constituting infringement, intent
27 additionally to cause an infringement can be presumed.")

28 Manville requires plaintiff to show both that

1 defendants' actions induced infringing acts and that they
2 knew or should have known their actions would induce actual
3 infringement. 917 F.2d at 553. Plaintiff may satisfy its
4 burden of proving intent by circumstantial evidence. Water
5 Technologies, 850 F.2d at 668. ("While proof of intent is
6 necessary, direct evidence is not required; rather,
7 circumstantial evidence may suffice."); see also Moleculon
8 Research Corporation v. CBS, Inc., 793 F.2d 1261, 1272
9 (Fed. Cir. 1986) (affirming district court's finding of
10 infringement from circumstantial evidence of product sales
11 and instructions indicating how to use the product).
12 Plaintiff points to a photograph on Big Bang's website of a
13 bass drum with a drum head tensioning ring (Wallace Decl.,
14 Exh. W-B) and the Bass Drum O's installation instructions,
15 which refer to bass drums. Defendants counter that non-
16 infringing uses for their Bass Drum O's exist, and the Big
17 Bang website depicts these other, legal uses since it
18 includes, and has included since May 2005, pictures of
19 drums without tensioning rings. Further, defendants
20 contend, the installation instructions do not refer to or
21 mention drums with tensioning rings.

22 Given the facts in the record, plaintiffs have
23 adequately established defendants' intent, induced
24 infringement and the absence of a genuine issue of material
25 fact. Fed. R. Civ. P. 56; Celotex Corp. v. Catrett, 447
26 U.S. 317 (1986). Unlike Manville, 917 F.2d at 553,
27 defendants here produced and sold Bass Drum O's after they
28 knew of the '753 patent (Wallace Decl. to Suppl. Memo, Exh.

1 W-C) and after they had been served with the complaint
2 alleging those acts infringed (JSUF ¶¶ 1-3). They
3 continued to sell the accused product (JSUF ¶ 4)² and
4 continued to advertise the use of the accused product in
5 infringing ways, by showing a picture of a Bass Drum O's
6 installed on a bass drum with a tensioning ring on their
7 website (JSUF ¶¶ 5-7). Defendants have admitted to selling
8 more than 30,000 units of Bass Drum O's, and each unit was
9 contained in packaging that included installation
10 instructions (Wallace Decl. to Suppl. Memo, Exh. W-B). The
11 only installation instructions in the record contain
12 references to bass drums. Even the very name of their
13 product, Bass Drum O's, encourages customers to use the
14 accused product on bass drums, which have tensioning rings,
15 and thereby induces infringement.

16 Like the distributors of peer-to-peer file sharing
17 computer networking software in Metro-Goldwyn-Mayer Studios
18 Inc. v. Grokster, Ltd., 125 S.Ct. 2764 (2005), defendants
19 here have advertised the accused product in the same
20 magazines plaintiff's customers might peruse and instructed
21 purchasers of Bass Drum O's on how to infringe the '753
22 patent. Defendants displayed an infringing photograph of a
23 drum with a tensioning ring on their website and included
24 installation instructions instructing purchasers how to
25 infringe. They may have not offered technical support or
26

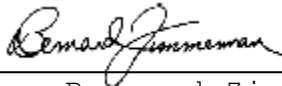
27 ² Unlike Manville, defendants have not contended
28 that they did so out of a good faith belief that they were
not infringing. 917 F.2d at 553.

1 targeted customers to the same degree as the Grokster
2 defendants, but the nature of the product and the size of
3 the market here are different. The intent still exists.

4 While intent is usually a question of fact, summary
5 judgment is appropriate if no reasonable trier of fact
6 could find other than for plaintiff. See Chiuminatta
7 Concrete Concepts, Inc., v. Cardinal Industries, Inc., 145
8 F.3d 1303, 1312 (Fed. Cir. 1998) (affirming district court's
9 grant of summary judgment because defendant "has not raised
10 a genuine issue regarding inducement of others to
11 infringe"). Chiuminatta rejected defendant's argument that
12 its "advertisements concede the ability of the accused saw
13 to cut concrete starting at a time period earlier than that
14 claimed in the '675 patent" (a non-infringing use) because
15 the advertisements also "encourage use from that time
16 period onwards and thus encourage use during the claimed
17 hardness range" (an infringing use). 145 F.3d at 1312.
18 See also Hilgraeve Corporation v. Symantec Corporation, 265
19 F.3d 1336, 1343 (Fed. Cir. 2001) (citing cases where the
20 court "held that an accused device may be found to infringe
21 if it is reasonably capable of satisfying the claim
22 limitations, even though it may also be capable of non-
23 infringing modes of operation"). Similarly, although there
24 may be non-infringing uses for Bass Drum O's, the name of
25 the accused product, the picture of the product on a bass
26 drum with a tensioning ring on the website and the
27 installation instructions encourage uses that are not
28 disputed to infringe plaintiff's patent.

1 Therefore, **IT IS ORDERED** that plaintiff's motion for
2 summary adjudication on the issue of induced infringement
3 is **GRANTED** as to defendant Kasha. Since this record does
4 not document defendant Moeller's involvement in creating
5 the installation instructions and advertising from which
6 the Court has inferred intent, **IT IS ORDERED** that the
7 motion is **DENIED** as to defendant Moeller.

8 Dated: December 2, 2005

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Bernard Zimmerman
11 United States Magistrate Judge

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